



BOARD MEETING MINUTES

**Iowa Finance Authority
Des Moines, Iowa
August 1, 2018**

Board Members Present

Darlys Baum
Jane Bell
Jeff Heil, Chair
Joan Johnson

Shaner Magalhães
Michel Nelson
Ruth Randleman
Gilbert Thomas
Daniel Wasta, Designee for Treasurer Fitzgerald

Board Members Absent

Ashley Aust

Staff Members Present

Carolann Jensen, Interim Executive Director
Brian Crozier, Chief Administration Officer
Rita Eble, HOME Program Analyst
Mark Fairley, Finance & Investment Manager
Jess Flaherty, Executive Officer
Alyson Fleming, SRF Program Specialist
Jerry Floyd, HOME Program Analyst
Derek Folden, Multifamily Underwriter
Ksenia Gardino, Accounting Manager
Cindy Harris, Chief Financial Officer
Steve Harvey, Accounting Director

Ashley Jared, Director of Communications
Amanda Jenkins, Training & Relationship
Coordinator
Katie Kulisky, LIHTC Administrative Assistant
Karen Kulisky, Underwriting Analyst
Jennifer Pulford, Loan Servicing Specialist
Brian Sullivan, Director of Section 8
Michelle Thomas, Accounting Manager
Mark Thompson, General Counsel
Dave Vaske, LIHTC Manager
Becky Wu, Loan Servicing Specialist

Others Present

David Grossklaus, Dorsey & Whitney
Sue Foecke, Senate Democrats
Jess Flannery, House Democratic Caucus Office

Jason Olson, Eide Bailly
Ron Robinson, Legislative Service Agency

Call to Order

Chair Heil called to order the August 1, 2018, meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:00 a.m. Roll call was taken, and a quorum was established. The following Board members were present: Baum, Bell, Johnson, Magalhães, Nelson, Randleman, Thomas, Wasta and Heil.

Consent Agenda

Chair Heil introduced the consent agenda and asked if anyone wanted to request items be removed.

MOTION: There being no requests, Ms. Randleman made a motion to approve the items on the consent agenda, which included the following:

Approval of Minutes of the July 11, 2018, IFA Board Meeting
AG 18-018B, Kenyon D. Yoder
03389M, David G. Laughton
04075M, David G. Laughton
WQ 18-13, SRF Planning and Design Loans
WQ 18-14, SRF Construction Loans

On a second by Mr. Thomas, the Board unanimously approved the items on the consent agenda.

Administration

Interim Director's Update

Ms. Jensen reported that the relocation to 1963 Bell Ave project was making progress with the move date scheduled for December 14, 2018. She stated that IFA had been participating in many disaster relief and recovery groups after the flooding and tornados. Lastly, Ms. Jensen reported that Friday, August 3rd, was going to be the first Bring Your Dog to Work day at IFA. She said staff was looking forward to a full day of dog events and fun.

Presentation of Eide Bailly Special Audit

Ms. Jensen introduced Jason Olson from Eide Bailly. Mr. Olson thanked the IFA staff and the Board for their time and cooperation during the forensic audit. Mr. Olson presented his final audit report to the Board stating that there were appropriate internal controls in place, no spending authority limit violations were identified, corporate credit card use, reimbursement and travel payments by the former Executive Director appear to be business-related and that PayPal accounts used by IFA are business accounts and all funds deposited into these PayPal accounts were transferred into IFA's general fund. Mr. Olson provided a few recommendations to further strengthen IFA's internal controls. The Board asked several questions for clarification. Mr. Olson concluded by thanking the IFA staff again for their cooperation, responsiveness, and excellent accounting practices.

June 2018 Financial Statement

Mr. Harvey presented highlights of the June 2018 financial statement that was included in the board packet.

MOTION: On a motion by Mr. Thomas and a second by Ms. Randleman, the board unanimously approved the June 2018 Financial Statement.

FIN 18-06, 2018 SF Bonds Series C and D

Ms. Harris stated that the Finance and the Single Family departments are planning a bond pricing in mid-September, given current weekly reservation volume. This resolution authorizes the issuance of bonds in an amount not to exceed \$90 million. However, the expected par size of the bond issue is currently anticipated to be about \$75 million. The proceeds will be used to finance new FNMA and

GNMA mortgage-backed securities (“MBS”) from the FirstHome loan program, and cost of issuance. The 2018 Bonds will be issued within the 1991 Single Family Indenture.

MOTION: On a motion by Mr. Nelson and a second by Mr. Thomas, the board unanimously approved FIN 18-06.

FIN 18-07, Urban Crossing Apartments Loan

Mr. Morlan stated that staff is recommending providing the Urban Crossing Apartments project with a first mortgage permanent loan. The project will be new construction in Grimes with 34 units specifically for families. Thirty of the units will be affordable and four market rate. Mr. Morlan requested board action on FIN 18-07.

MOTION: On a motion by Mr. Thomas and a second by Ms. Bell, the board unanimously approved FIN 18-07.

Communications Update

Ms. Jared reported that the House Wise Iowa campaign concluded on June 30 with a total of 4,235 entries. Linda Frazier, HomeServices Lending and Jeff Kinion, Iowa Realty, were the top lender and realtor referrals for the 2018 contest. She gave a brief update on the new web site stating that the expected launch date is December 2018. Lastly, Ms. Jared reported that the HousingIowa Conference will be held in Des Moines, September 5-7. She highlighted some of the session speakers and topics for the 2018 conference and encouraged the board members to register soon.

Notice of Intended Action: Chapter 45, Manufactured Housing Program Fund

Mr. Thompson stated that in the 2018 legislative session, the legislature passed, and the governor signed, House File 2480, part of which creates a Manufactured Housing Program Fund within the Iowa Finance Authority. As stated in House File 2480, “the moneys in the fund are to be used for the purpose of providing funding to financial institutions or other lenders to finance the purchase by an individual of a manufactured home that is in compliance with all laws, rules, and standards that are applicable to manufactured homes and manufactured housing. The manufactured housing program fund is designed exclusively for manufactured homes sited on leased land.” The new law also directs the Authority to adopt administrative rules necessary to implement and administer the new program.

MOTION: ON a motion by Mr. Nelson and a second by Mr. Thomas, the board unanimously approved the NOIA: Chapter 45.

Miscellaneous

Receive Comments from General Public

Chair Heil opened the public comment period and asked if anyone in the audience would like to address the Board.

Chair Heil thanked the IFA staff for their hard work and dedication to IFA’s mission and for their cooperation with the forensic audit team from Eide Bailly.

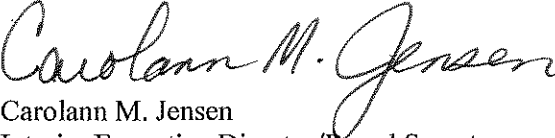
No members of the audience requested to speak. Chair Heil closed the public comment period.

Adjournment


On a motion by Ms. Randleman and a second by Mr. Thomas, the August 1, 2018, meeting of the IFA Board of Directors adjourned at 12:21 p.m.

Dated this 5th day of September, 2018

Respectfully submitted:


Carolann M. Jensen
Interim Executive Director/Board Secretary

Approved as to form:


Jeffrey Heil, Chair
Iowa Finance Authority